

Date: May 27, 2025,
To: Workforce Development Board
From: Weston LaBar, Chair

Recommendation:

Recommendation to receive and file an update on the Workforce Innovation and Opportunity Act (WIOA) Waivers.

Discussion

In order to provide Local Boards with additional flexibility when assisting individuals from the most vulnerable populations and with high barriers to employment, and as part of the California 2024-2027 Unified Strategic Workforce Development Plan (State Plan), the California Workforce Development Board (CWDB) and the Employment Development Department (EDD) requested and were approved for three WIOA waivers from the Department of Labor (DOL).

1. Transitional Jobs Waiver WIOA Section 134(d)(5)
This waiver allows up to 30 percent of WIOA Title I adult and dislocated worker local formula funds to be used for the provision of transitional jobs.
2. On-the-Job Training Waiver (WIOA Section 134(c)(3)(H)(i))
This waiver allows up to 90 percent reimbursement of on-the-job training (OJT) costs for businesses with 50 or fewer employees.
3. Out-of-School Youth Expenditure Waiver (WIOA Section 129(a)(1)(B))
This waiver allows the decrease of the out-of-school youth (OSY) expenditure requirement from 75 percent to 50 percent.

To utilize any of the three approved waivers under the WIOA, Local Workforce Development Boards are required to apply annually. For Program Year (PY) 2025 – 2026, applications were due to the California Workforce Development Board (CWDB) by May 16, 2025. The Long Beach Workforce Innovation Network (LBWIN) submitted an application requesting continued use of the On-the-Job Training (OJT) Waiver, which allows for greater flexibility in reimbursing employers for a higher percentage



of participant wages during training. This waiver supports expanded employer engagement and increases access to work-based learning opportunities for job seekers.

The CWDB will review LBWIN's application and notify them of approval or denial via email by June 6, 2025.

SUGGESTED ACTION:

Approve recommendation.

